

AMENDED IN ASSEMBLY MARCH 14, 2012

CALIFORNIA LEGISLATURE—2011–12 REGULAR SESSION

ASSEMBLY BILL

No. 2008

Introduced by Assembly Member Bradford

February 23, 2012

An act to amend Sections 42238 and 42238.485 of, and to add and repeal Section 42241.2 of, the Education Code, relating to education finance.

LEGISLATIVE COUNSEL'S DIGEST

AB 2008, as amended, Bradford. Education finance: revenue limits.

~~(1) Existing law requires the county superintendent of schools to determine a revenue limit for each school district in the county pursuant to a specified formula based on the base revenue limit of the school district for the prior year, adjusted for inflation, and the average daily attendance for the entire school district. Existing law requires the base revenue limit for each school district for the 2010–11 fiscal year to include an adjustment computed as specified and related to funding incentives to increase beginning teachers' salaries and funding for Meals for Needy Pupils programs. Existing law requires the Superintendent of Public Instruction to calculate the amount of this adjustment for each school district, as specified.~~

~~This bill would defer until the 2014–15 fiscal year that portion of the 2010–11 fiscal year adjustment related to funding for Meals for Needy Pupils programs.~~

~~(1) Existing law requires the county superintendent of schools to determine a revenue limit for each school district in the county by, in part, calculating a base revenue limit for a fiscal year by adding a specified inflation adjustment, specified equalization adjustment, and~~

specified add-ons to the base revenue limit for the prior fiscal year. Existing law requires the Superintendent of Public Instruction, for the 2011–12 fiscal year and each fiscal year thereafter, to compute an add-on for each school district by adding a specified inflation adjustment to the amount of the add-on computed in the 2010–11 fiscal year, which is based, in part, on a specified adjustment.

This bill would instead require the Superintendent, for the 2011–12 fiscal year and each fiscal year thereafter, to compute the add-on for each school district in a different manner by, among other things, multiplying the sum of 1.0 plus the percentage change determined pursuant to a specified provision.

(2) Existing law requires the Superintendent, for the 2010–11 fiscal year, to compute an adjustment for each school district by dividing each school district’s 2007–08 fiscal year average daily attendance into the sum of funding for Meals for Needy Pupils programs and funding for incentives to increase beginning teachers’ salaries received by the school district for the 2007–08 fiscal year pursuant to specified provisions.

This bill would instead require the Superintendent, for the 2014–15 fiscal year, to compute an adjustment for each school district by dividing each school district’s 2009–10 fiscal year average daily attendance into funding for Meals for Needy Pupils programs received by the school district for the 2009–10 fiscal year.

~~(2)~~

(3) A former provision, which became inoperative on July 1, 2010, and was repealed on January 1, 2011, authorized an adjustment of the revenue limit of a school district to reflect funding for Meals for Needy Pupils programs.

This bill would reenact this authorization, which would be operative until July 1, 2014.

*Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.*

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 42238 of the Education Code is amended
- 2 to read:
- 3 42238. (a) For the 1984–85 fiscal year and each fiscal year
- 4 thereafter, the county superintendent of schools shall determine a

1 revenue limit for each school district in the county pursuant to this
2 section.

3 (b) The base revenue limit for a fiscal year shall be determined
4 by adding to the base revenue limit for the prior fiscal year the
5 following amounts:

6 (1) The inflation adjustment specified in Section 42238.1.

7 (2) For the 1995–96 fiscal year, the equalization adjustment
8 specified in Section 42238.4.

9 (3) For the 1996–97 fiscal year, the equalization adjustments
10 specified in Sections 42238.41, 42238.42, and 42238.43.

11 (4) For the 1985–86 fiscal year, the amount per unit of average
12 daily attendance received in the 1984–85 fiscal year pursuant to
13 Section 42238.7.

14 (5) For the 1985–86, 1986–87, and 1987–88 fiscal years, the
15 amount per unit of average daily attendance received in the prior
16 fiscal year pursuant to Section 42238.8.

17 (6) For the 2004–05 fiscal year, the equalization adjustment
18 specified in Section 42238.44.

19 (7) For the 2006–07 fiscal year, the equalization adjustment
20 specified in Section 42238.48.

21 (8) For the 2011–12 fiscal year, the equalization adjustment
22 specified in Section 42238.49.

23 (c) (1) (A) For the 2011–12 fiscal year, the Superintendent
24 shall compute an add-on for each school district by multiplying
25 the sum of 1.0 plus the percentage change determined pursuant to
26 subdivision (b) of Section 42238.1 by the adjustment specified in
27 subdivision (a) of Section 42238.485, *as it read on January 1,*
28 *2011.*

29 (B) For the 2012–13 and 2013–14 fiscal years, the
30 Superintendent shall compute an add-on for each school district
31 by multiplying the sum of 1.0 plus the percentage change
32 determined pursuant to subdivision (b) of Section 42238.1 by the
33 amount computed pursuant to this paragraph for the prior fiscal
34 year.

35 (C) For the 2014–15 fiscal year, the Superintendent shall
36 compute an add-on for each school district by adding the amount
37 computed pursuant to this paragraph for the prior fiscal year to the
38 adjustment specified in subdivision (a) of Section 42238.485 and
39 multiplying that sum by the sum of 1.0 plus the percentage change
40 determined pursuant to subdivision (b) of Section 42238.1.

(D) For the 2015–16 fiscal year and each fiscal year thereafter, the Superintendent shall compute an add-on for each school district by multiplying the sum of 1.0 plus the percentage change determined pursuant to subdivision (b) of Section 42238.1 by the amount computed pursuant to this paragraph for the prior fiscal year.

(2) Commencing with the 2010–11 fiscal year, the Superintendent shall compute an add-on for each school district by dividing each school district’s fiscal year average daily attendance computed pursuant to Section 42238.5 by the total adjustments in funding for each district made for the 2007–08 fiscal year pursuant to Section 42238.22, as it read on January 1, 2009.

(d) The sum of the base revenue limit computed pursuant to subdivision (b) and the add-on computed pursuant to subdivision (c) shall be multiplied by the district average daily attendance computed pursuant to Section 42238.5.

(e) For districts electing to compute units of average daily attendance pursuant to paragraph (2) of subdivision (a) of Section 42238.5, the amount computed pursuant to Article 4 (commencing with Section 42280) shall be added to the amount computed in subdivision (c) or (d), as appropriate.

(f) For the 1984–85 fiscal year only, the county superintendent shall reduce the total revenue limit computed in this section by the amount of the decreased employer contributions to the Public Employees’ Retirement System resulting from enactment of Chapter 330 of the Statutes of 1982, offset by any increase in those contributions, as of the 1983–84 fiscal year, resulting from subsequent changes in employer contribution rates.

(g) The reduction required by subdivision (f) shall be calculated as follows:

(1) Determine the amount of employer contributions that would have been made in the 1983–84 fiscal year if the applicable Public Employees’ Retirement System employer contribution rate in effect immediately before the enactment of Chapter 330 of the Statutes of 1982 was in effect during the 1983–84 fiscal year.

(2) Subtract from the amount determined in paragraph (1) the greater of subparagraph (A) or (B):

(A) The amount of employer contributions that would have been made in the 1983–84 fiscal year if the applicable Public

1 Employees' Retirement System employer contribution rate in effect
2 immediately after the enactment of Chapter 330 of the Statutes of
3 1982 was in effect during the 1983–84 fiscal year.

4 (B) The actual amount of employer contributions made to the
5 Public Employees' Retirement System in the 1983–84 fiscal year.

6 (3) For purposes of this subdivision, employer contributions to
7 the Public Employees' Retirement System for either of the
8 following shall be excluded from the calculation specified above:

9 (A) Positions supported totally by federal funds that were subject
10 to supplanting restrictions.

11 (B) Positions supported, to the extent of employer contributions
12 not exceeding twenty-five thousand dollars (\$25,000) by a single
13 educational agency, from a revenue source determined on the basis
14 of equity to be properly excludable from the provisions of this
15 subdivision by the Superintendent with the approval of the Director
16 of Finance.

17 (4) For accounting purposes, the reduction made by this
18 subdivision may be reflected as an expenditure from appropriate
19 sources of revenue as directed by the Superintendent.

20 (h) The Superintendent shall apportion to each school district
21 the amount determined in this section less the sum of:

22 (1) The district's property tax revenue received pursuant to
23 Chapter 3.5 (commencing with Section 75) of, and Chapter 6
24 (commencing with Section 95) of, Part 0.5 of Division 1 of the
25 Revenue and Taxation Code.

26 (2) The amount, if any, received pursuant to Part 18.5
27 (commencing with Section 38101) of Division 2 of the Revenue
28 and Taxation Code.

29 (3) The amount, if any, received pursuant to Chapter 3
30 (commencing with Section 16140) of Part 1 of Division 4 of Title
31 2 of the Government Code.

32 (4) Prior years' taxes and taxes on the unsecured roll.

33 (5) Fifty percent of the amount received pursuant to Section
34 41603.

35 (6) The amount, if any, received pursuant to the Community
36 Redevelopment Law (Part 1 (commencing with Section 33000)
37 of Division 24 of the Health and Safety Code), except for any
38 amount received pursuant to Section 33401 or 33676 of the Health
39 and Safety Code that is used for land acquisition, facility
40 construction, reconstruction, or remodeling, or deferred

1 maintenance, except for any amount received pursuant to ~~Section~~
2 ~~33492.15 of~~, paragraph (4) of subdivision (a) of Section 33607.5
3 ~~of, or Section 33492.15 of, or Section 33607.7 of~~, the Health and
4 Safety Code that is allocated exclusively for educational facilities.

5 (7) For a unified school district, other than a unified school
6 district that has converted all of its schools to charter status
7 pursuant to Section 47606, the amount of statewide average
8 general-purpose funding per unit of average daily attendance
9 received by school districts for each of four grade level ranges, as
10 computed by the department pursuant to Section 47633, multiplied
11 by the average daily attendance, in corresponding grade level
12 ranges, of any pupils who attend charter schools funded pursuant
13 to Chapter 6 (commencing with Section 47630) of Part 26.8 of
14 Division 4 for which the district is the sponsoring local educational
15 agency, as defined in Section 47632, and who reside in and would
16 otherwise have been eligible to attend a noncharter school of the
17 district.

18 (i) A transfer of pupils of grades 7 and 8 between an elementary
19 school district and a high school district shall not result in the
20 receiving district receiving a revenue limit apportionment for those
21 pupils that exceeds 105 percent of the statewide average revenue
22 limit for the type and size of the receiving school district.

23 SEC. 2. Section 42238.485 of the Education Code is amended
24 to read:

25 ~~42238.485. (a) For the 2010–11 fiscal year, the Superintendent~~
26 ~~shall compute an adjustment for each school district by dividing~~
27 ~~each school district's 2007–08 fiscal year average daily attendance~~
28 ~~into funding incentives to increase beginning teachers' salaries~~
29 ~~received by the school district for the 2007–08 fiscal year pursuant~~
30 ~~to Sections 45023.1 and 45023.4, as those sections read on January~~
31 ~~1, 2009.~~

32 (b)
33 42238.485. (a) For the 2014–15 fiscal year, the Superintendent
34 shall compute an adjustment for each school district by dividing
35 each school district's ~~2007–08~~ 2009–10 fiscal year average daily
36 attendance into the funding for Meals for Needy Pupils programs
37 received by the school district for the ~~2007–08~~ 2009–10 fiscal year
38 pursuant to former Section 42241.2, as it read on January 1, ~~2010~~
39 2009.

40 (c)

1 (b) For purposes of this section, average daily attendance shall
2 be computed pursuant to Section 42238.5.

3 ~~(d)~~

4 (c) Notwithstanding any other provision of this section, no
5 funding specified in this section shall be added to the adjustment
6 computed pursuant to subdivision (a) ~~or (b)~~ if that funding is
7 currently included in a school district's base revenue limit
8 calculated pursuant to Section 42238.

9 SEC. 3. Section 42241.2 is added to the Education Code, to
10 read:

11 42241.2. (a) A school district may add, in the computation of
12 the district's revenue limit pursuant to Section 42238 for the current
13 fiscal year, the amount computed in the preceding fiscal year for
14 Meals for Needy Pupils programs (Article 11 (commencing with
15 Section 49550) of Chapter 9 of Part 27 of Division 4) multiplied
16 by the sum of 1.0 plus the percentage change determined pursuant
17 to subdivision (b) of Section 42238.1.

18 (b) This section shall remain in effect only until July 1, 2014,
19 and, as of January 1, 2015, is repealed, unless a later enacted
20 statute, that is enacted before January 1, 2015, deletes or extends
21 that date.